On principle also the decision in the principal case would seem to be sound. The plea of guilty is a judicial confession; and so long as it stands, is conclusive evidence of the defendant's guilt. It is "conviction." This being its effect the court will scrutinize it closely and may, in the exercise of its sound discretion, refuse to enter the plea of record, or once it is so entered, allow it to be withdrawn. In deciding that the accused should be allowed to withdraw his plea, the court merely declares that it should not be received as a judicial confession; but, as was said in the instant case, the withdrawal of the plea withdraws the evidence of conviction, but it does not withdraw the fact that such a plea was entered. This fact remains; it is a confession of guilt and the question which now arises is whether or not this fact is admissible in evidence against the accused. If it meets with the requirements of an extrajudicial confession; i. e., unless there was such inducement that there was a fair risk of a false confession (WIGMORE, § 824), there would seem to be no valid reason why it should not be admitted and given force and effect as such, not as conclusive proof of the guilt of the accused, but to support or be supported by the other proof to establish the *corpus delecti,* as being inconsistent with his later claim of innocence. Of course, the accused has the right to explain his former plea of guilty as he has the right to explain any other extrajudicial confession and he may thus protect himself in so far as he is ever able to do so from its injurious effect. No greater burden is put upon him and he has the same opportunity to prevent the admission of this confession as he has in the case of any extrajudicial confession if it does not meet with the requirements of such a confession.

Nor does the admission in evidence against the accused of his withdrawn plea render nugatory those statutes which make this withdrawal a matter of right or the ruling of the court where withdrawal is discretionary with it. So long as it stands, the plea of guilty "is conviction," *State* v. *Willis,* 71 Conn. 293, 41 Atl. 820, and, as has been said, the withdrawal of the plea is a withdrawal of the evidence of conviction, whereupon the accused may enter a plea of not guilty and have a trial of the issues involved. And since the confession when introduced in evidence is not conclusive and is not sufficient to justify conviction unless there is some other proof of the *corpus delecti,* this is surely a substantial right which is secured to the accused. All in all, it is difficult to see just how the accused is unjustly injured or prejudiced or how he would be unduly constrained to allow his plea of guilty to stand by giving to the withdrawn plea of guilty the force and effect which is accorded to it by the decision of the Connecticut Court in the instant case. W. F. W.

WHAT CONSTITUTES "DOING BUSINESS" WITHIN A STATE BY A FOREIGN CORPORATION.—Defendant corporation, organized under the laws of New Jersey, held its meetings and kept its bank account in the state of Pennsylvania. Its purpose was to purchase and deal in stocks and bonds issued by Pennsylvania corporations. Among other things it issued bonds of its own which it secured with the bonds and stock of the Pennsylvania corporations. The treasurer resided in Pennsylvania, but the company paid the interest on its bonds

through an agent residing in New York City. *Held,* that the company was doing business in Pennsylvania and that it must pay a certain statutory tax required to be assessed upon every payment of interest on its bonds. *Com.* v. *Wilkes-Barre & H. R. Co.,* (Pa. 1915), 95 Atl. 915.

The question presented by the facts of this case has been the source of a vast amount of litigation in the courts of the United States, due, perhaps, to the fact that there are no hard and fast rules of law applicable to the varying circumstances involved in the almost innumerable array of cases. The following quotation from the opinion rendered by the court in the case of *Pa. Collier Co.* v. *McKeever,* 183 N. Y. 98, 75 N. E. 935, 2 L. R. A. (N. S.) 121, expresses, as nearly as it is possible to express, the general rule of law governing the cases on this particular subject. The court said: "To be doing business in this state implies corporate continuity of conduct in that respect, such as might be evidenced by the investment of capital here, with the maintenance of an office for the transaction of its business, and those incidental circumstances which attest the corporate intent to avail itself of the privilege to carry on a business." This rule, though accurate as a mere statement of law, has no practical significance except as it indicates to the courts that in all cases of this kind the question of foremost importance is purely one of fact. Ordinarily, a company is not considered in the state for the purpose of "doing business" therein when its operations have amounted to no more than a single and isolated transaction. *Florsheim Bros. Dry Goods Co.* v. *Lester,* 60 Ark. 120, 29 S. W. 34, 46 Am. St. Rep. 162, 27 L. R. A. 505; *Commercial Bank* v. *Sherman,* 28 Ore. 573, 43 Pac. 658, 52 Am. St. Rep. 811; *Kline Bros. & Co.* v. *German Union Fire Ins. Co. of Baltimore,* 132 N. Y. Supp. 181, 147 App. Div. 790; *Mergenthaler Linotype Co.* v. *Hays,* 182 Mo. App. 113; *Loomis* v. *People's Const. Co.,* 211 Fed. 453; *Vulcan Steam Shovel Co.* v. *Flanders,* 205 Fed. 102; *Toledo Traction, Light & Power Co.* v. *Smith,* 205 Fed. 643; 6 COL. LAW REV. 121; 19 CYC. 1268. Where, however, the single and isolated act is the first of a series looking to the establishment of a permanent business in the state it is sufficient to constitute "doing business" therein. 18 HARV. LAW REV. 146. In Alabama, on the other hand, the courts have held, because of the peculiar wording of its statute, that the doing of any act by a foreign corporation in that state amounts to "doing business" therein. *Farrior* v. *New Eng. Mortg. Secur. Co.* 88 Ala. 275, 7 So. 200; *Dundee Mortg. Trust Inv. Co. Co.* v. *Nixon,* 95 Ala. 318, 10 So. 311; *Christian* v. *Amer. Freehold Land Mortg. Co.,* 89 Ala. 198, 7 So. 427. See also, *Thompson* v. *State Traveling Men's Ass'n,* 88 Neb. 399, 129 N. W. 529; *Ulmer* v. *Petersburg First Natl. Bank,* 61 Fla. 460, 55 So. 408. But it should be noticed that there must be an actual doing of business by the foreign corporation within the state for the purpose or purposes for which it was organized in the state where it obtained its charter. The mere ownership of personal property within a state is not doing business therein. It is the doing of business in the state with that property that the statutes are designed to reach. *United Shoe Machine Co.* v. *Ramlose,* 210 Mo. 631, 109 S. W. 567; *Loomis* v. *People's Constr. Co.,* 211 Fed. 453; *Cockburn* v. *Kinsley,* 25 Col. App. 89, 135 Pac. 1112; *Bowser, & Co.* v. *Savidusky,* 154 Wis. 76, 142 N. W. 182; *Natural Carbon Paint Co.* v. *Fred Bredel Co.,* 193 Fed. 897. There

is, however, a corollary to this general proposition, the essence of which is that a state in exercising the right of admitting foreign corporations within its boundaries cannot grant to such corporations privileges, permits or franchises which their charters and the laws of their states would not allow them to enjoy at home. 12 COL. LAW REV. 261. But see, *Castle's Adm.* v. *Acrogen Coal Co.*, 145 Ky. 591, 140 S. W. 1034. On the other hand, if the statute of a state provides that a foreign corporation doing business therein shall be subject to the payment of a certain tax, provided it engages in a specified sort of business, and a foreign corporation's charter empowers it to engage in such business, as well as some other business, and it is actually engaged in that other business within the state, yet it is subject to the tax because, being in the state for one purpose, it is in for all purposes connected with its charter, even though it is not availing itself of all the privileges which that charter bestows upon it. 6 MICH. LAW REV. 477. It is, of course, impossible for any state to impose any burdens upon a foreign corporation whose agents come into the state merely for the purpose of completing a contract entered into between that corporation and a citizen or a domestic corporation of the state, provided the contract was not made in the state. Such cases frequently arise when foreign corporations send their agents into other states for the purpose of installing or setting up machinery, etc. *Vulcan Steam Shovel Co.* v. *Flanders*, 205 Fed. 102; *S. F. Bowser & Co.* v. *Savidusky, et al.*, 154 Wis. 76, 142 N. W. 182; *Milan M. & M. Co.* v. *Gorton*, 93 Tenn. 590, 27 S. W. 971, 26 L. R. A. 135; *Wolff D. Co.* v. *Bigler*, 192 Pa. St. 466, 43 Atl. 1092. The same reasoning applies where the state attempts to subject the foreign corporation to its laws merely because the corporation has entered into contracts with its duly appointed agents residing within that state, or because it has participated in transactions which amount to no more than dealings between it and resident stockholders concerning promotions, transfers of stock and meetings of directors for such purposes. In short, the courts draw a distinction between the purposes of a corporation and its powers. *Cockburn* v. *Kinsley*, 25 Col. App. 89, 135 Pac. 1112; *Stegall* v. *Pigm. & Chem. Co.*, 150 Mo. App. 251, 130 S. W. 134; *Kibby* v. *Cubie, Heimann Co.*, 41 Okl. 116, 137 Pac. 352. But see, *Hayworth* v. *McDonald, et al.*, 67 Wash. 496, 121 Pac. 984.

The character of the statute applicable to the case always plays an important part in the final determination of the courts. Generally speaking, where the statute is one of the kind that prescribes certain conditions precedent to the right of the corporation to do business in the state, the quesion to be answered, namely, whether the corporation is "doing business" in the state, is one which it is the peculiar function of the state court to answer. On the other hand, when a question arises as to whether a corporation is doing business in the state in such a sense as to be bound by judicial service on its representatives, the federal courts do not accept the decisions of the state courts as final, because a federal question is involved. A wide degree of latitude is allowed the state courts insofar as the interpretation of their own statutes is concerned; but their determination of constitutional questions is always subjected to the most rigid scrutiny and examination. 7 COL. LAW

REV. 541; 18 HARV. LAW REV. 619; 11 COL. LAW REV. 779. Throughout all the cases involving a consideration of the subject under discussion it is strikingly noticeable that the courts resolve every possible doubt in favor of the corporation that maintains that it is not "doing business" in he state. This is due to the fact that the state courts are constantly confronted with the problem of deciding just what constitutes interstate commerce with which, of course, they must not permit their legislatures to interfere. *Am. Art Works* v. *Chi. Picture Framing Works,* 264 Ill. 610, 106 N. E. 440; *Frank Prox Co.* v. *Bryan,* 185 Ill. App. 322; *First Dispatch Co.* v. *Wood, et al.,* 42 Okla. 79, 140 Pac. 1138; *Star-Chronicle Pub. Co.* v. *United Press Ass'n,* 204 Fed. 217; 6 MICH. LAW REV. 422; 18 HARV. LAW REV. 619. Hence, the courts uniformly hold that the mere solicitation of orders in a state does not constitute "doing business" therein; but there is a considerable difference of opinion as to the legal import of the word "solicitation." *Interna. Harvester Co.* v. *Com. of Ky.,* 234 U. S. 579, 58 L. Ed. 1479, 34 Sup. Ct. 944; *Natl. Merc. Co.* v. *Watson,* 215 Fed. 929; *Am. Art Works* v. *Chi. Picture Framing Works,* 264 Ill. 610, 106 N. E. 440; *Lehigh Portland Cement Co.* v. *McLean,* 245 Ill. 326; *Interna. Text Book Co.* v. *Pigg,* 217 U. S. 91; *Interna. Text Book Co.* v. *Gillespie,* 229 Mo. 397, 129 S. W. 922. But see, *West Coast Timber Co.* v. *Hughitt, et al.,* 185 Ill. App. 500, and *Frank Prox Co.* v. *Bryan,* 185 Ill. App. 322.

As a general proposition a corporation, when being sued on a contract by a plaintiff who resides in a foreign state, will not be heard to say that since it has failed to comply with the laws of the state wherein plaintiff is domiciled and wherein the contract was made, the contract is void, because, under most statutes such contracts are held to be voidable and enforceable at the option of the plaintiff. The rule is, of course, otherwise where the statute provides in unequivocal terms that all such contracts shall be absolutely null and void. 7 COL. LAW REV. 779, 778; 4 MICH. LAW REV. 656. M. McL.